

Office of Personnel Management

Policy

Policy Title: Salary Administration Grids	Policy Number: 20.06
Citation: Arkansas Code Annotated §21-5-222	Forms: None

Purpose

The law allows for agencies and institutions to implement a salary grid for specific classifications for new hires which would allow employees to enter above the entry level pay rate based on employee's qualifications, relevant competitive rates of pay in the labor market, professional or education achievements of the applicant, and internal equity with the agency or institution. Agencies and institutions wanting to implement such a grid must submit a plan to the Office of Personnel Management for approval from the Chief Fiscal of the State after review of the Personnel Committee of the Legislative Council.

Specific Provisions

Salary grids may only be applied to classifications found in the career service compensation pay plan.

Agencies or institutions wanting to implement a salary grid must submit a plan for implementing the grid to the Office of Personnel Management. The proposed plan must include:

- A. A documented need for the salary administration grid for specified positions or classifications;
- B. How the terms and conditions of the grid will address the needs of the targeted populations; and
- C. Demonstrate that the cost of implementing and maintaining the salary administration grid is within the agency's or institution's existing appropriation and the implementation of the grid does not use funds specifically set aside for other programs within the agency or institution.

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The agency's or institution's proposed salary administration grid may only be implemented after the proposed plan has been approved by the Chief Fiscal Officer of the State after review by the Personnel Committee of the Legislative Council.

The agency or institution may request a special rate of pay up to the maximum pay level authorized for the grade assigned to the classification on the career service pay plan.

The approved salary administration grid shall be used establish a starting salary for an employee in an individual position. The hiring of a new employee under the salary grid shall not affect the salary level or salary eligibility of any existing employee within the agency or institution.

If the agency or institution proposes to use a compensation differential in an administrative salary grid plan, the agency or institution will not be allowed to exceed the rate of pay established in the laws for compensation differentials. (See Policies 20.05.01 through 20.05.06)

A plan of implementation and salary progression must be approved by the Office of Personnel Management on a biennial basis. An approved grid may be amended only upon approval of the Office of Personnel Management after review by the Personnel Committee of the Legislative Council.

January 13, 2011